



# State of South Carolina

## Office of the Governor

MARK SANFORD  
GOVERNOR

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June 1, 2007

The Honorable Robert W. Harrell, Jr.  
Speaker of the House of Representatives  
Post Office Box 11867  
Columbia, South Carolina 29211

Dear Mr. Speaker and Members of the House:

I am hereby vetoing and returning without my approval H. 3289, R-67.

This bill selectively exempts the sale of gold, silver, any combination of bullion, and coins from the state sales tax. Last session I vetoed a bill exempting the sales tax on the same items in H. 3773, and, according to the Department of Revenue, this bill again contains the same exemptions. I clearly laid out my reasons for opposing this legislation in my veto message of H. 3773, but they bear repeating.

First, I have made it explicitly clear in the past that we must take an in-depth look at sales tax exemptions that no longer serve their purpose. Along the same lines, I find it to be bad policy to cherry pick items to add to this list that will not, I believe, serve a purpose. The items affected in H. 3289 – many of which are purchased as “collectibles” – will, in no way, advance this state forward from a competitive or an economic growth standpoint. It, therefore, serves no benefit to create piecemeal legislation adding new items to the list of exemptions before taking the time to look at the usefulness of the current exemptions.

Second, there are no items on the exemption list that would be considered personal “collectibles” at this time. Adding the items in this bill would open the door and set the stage for any and all “collectibles” to be added to this list. I see no advantage to the state by adding potential items such as comic books, baseball cards, or old records.

I believe it's imperative that we only use exemptions that serve the state in a fair and equitable manner. Creating legislation that only helps a very select group does not seem to us to be neither fair nor equitable.

For these reasons, I am returning H. 3289, R-67, to you without my signature.

Sincerely,

Mark Sanford